

## Message Text

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ACTION EUR-06

INFO OCT-01 ISO-00 EB-05 DRC-01 CIAE-00 INR-10 NSAE-00

RSC-01 /024 W

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R 150846Z MAR 74

FM AMEMBASSY BUDAPEST

TO SECSTATE WASHDC 972

USDOC WASHDC

INFO AMEMBASSY VIENNA

C O N F I D E N T I A L BUDAPEST 0594

E.O. 11652: GDS

TAGS: BEXP, HU

SUBJECT: EXECUTIVE LEVEL TRADE MISSION

REF: BUAPEST 591

1. AT DINNER AT MY RESIDENCE LAST NIGHT I HAD OPPORTUNITY TO MENTION TO FEKETE, DEPUTY DIRECTOR OF HUNGARIAN NATIONAL BANK, FOREIGN TRADE MINISTER BIRO'S COMMENT TO ME ABOUT IMPORTANCE GOH WOULD ATTACH TO MEDIUM AS WELL AS SHORT TERM CREDITS IN CONVERSATIONS WITH OUR BUSINESS EXECUTIVES IN APRIL.

2. FEKETE SAID HE KNEW THAT BIRO WANTED SUCH CREDITS, BUT HE (FEKETE) WAS AUTHORIZING OFFICER FOR FOREIGN EXCHANGE AND CREDIT MATTERS AND HE DID NOT INTEND TO AUTHORIZE SUCH CREDIT PURCHASES. HE SAID HUNGARY WOULD CONTINUE TO PAY CASH FOR WHAT IT BOUGHT.

3. COMMENT: THIS WAS A HIGHLY UNUSUAL EXPRESSION OF DIFFERENCE OF OPINION ON ECONOMIC POLICY FROM TWO LEADING OFFICIALS, NO DOUBT REFLECTING THEIR DIFFERING RESPONSIBILITIES, RESPECTIVELY, FOR INCREASING PRODUCTION AND SALES AND FOR FISCAL INTEGRITY. IN ANY CASE THE CALLS FOR CREDIT ON HUNGARIAN SIDE DURING THE TRADE MISSION'S VISIT WILL UNDOUBTEDLY NOT BE AS POINTED AS BIRO IMPLIED. WE DO NOT THINK IT WOULD BE WISE TO  
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DISCUSS THESE DIFFERENCES WITH THE EXECUTIVES, AND

SUGGEST THEY MIGHT SIMPLY BE TOLD DURING BRIEFINGS THAT  
THEY MIGHT FIND HUNGARIANS INTERESTED IN SIGNIFICANT  
CREDIT ARRANGEMENTS BUT THAT HUNGARY TRADITIONALLY HAS  
NOT ASKED FOR CREDIT AND WE ARE NOT CERTAIN WHAT THEIR  
CURRENT VIEW ACTUALLY WILL BE.  
PEDERSEN

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 MAR 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974BUDAPE00594  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** n/a  
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**Reference:** BUAPEST 591  
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**Review Authority:** golinofr  
**Review Comment:** n/a  
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**Secure:** OPEN  
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**Subject:** EXECUTIVE LEVEL TRADE MISSION  
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